REMARKS

In the Office Action dated January 20, 2004, claims 1-9 were rejected under 35 U.S.C. §103(a) as being unpatentable over Leon et al in view of Gelfer et al. The Examiner acknowledged that the Leon reference does not disclose a component that performs the function of claim 1 of "automatically, multiply interrogating said control unit to require handover of a security code from said control unit to said security module," and also acknowledge that the Leon et al reference does not disclose a "security module automatically deactivating itself, and thereby precluding printing of said postage value stamp, if said control unit hands over an incorrect security code or no security code upon each interrogation," as also required in claim 1. Similar requirements are included in claim 9.

For both of these items, the Examiner relied on the Gelfer reference as providing such a teaching. Applicants do not agree that the Gelfer reference provides such a teaching, and further submit that the teachings of the Gelfer et al reference, as well as the Leon et al reference are contrary to, and incompatible with, the requirement in claims 1 and 9 that the security module automatically deactivate itself under the conditions specified in claim 1.

First, as discussed in Applicants' previous response, the security routine itself (step 324 in Figure 3 of the Leon et al reference) is not described in detail in that reference, at least in terms of its individual steps. Only the result that occurs when the security routine is executed is described in the Leon et al reference, such as at column 7 in the paragraph beginning at line 23. This passage states that execution of the security routine effectively renders the security module 150 unuseable, and this is achieved by erasing the encryption keys that are necessary for secure

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transactions between the security module 150 and the meter 110. Other transactions, such as transactions that attempt to modify the accounting data that are stored within the security module, are also stated to be inhibited by the security routine.

The Gelfer et al reference, by contrast, does not include a security module. All of the steps that are executed in the Gelfer et al system are executed in the control unit 6. Moreover, nothing in the Gelfer et al system is deactivated under any circumstances, even the circumstance of the security flag not being present. As shown in the flow chart of Figure 4 of the Gelfer et al reference, if a valid security flag is not present (meaning a "no" answer to the query raised in step 409) nothing is deactivated, the result is simply that a branch to the accounting and printing routine 406 is not made, and instead a branch is made to the statistics and error evaluation step 213.

Moreover, even in step 409 there is no "interrogation" from one component to another that is made in the manner described in claims 1 and 9. The security flag is stored in memory area E of the non-volatile memory 5 in the Gelfer et al system. When step 409 is reached, this memory area is merely "observed' to determine whether the security flag is present or not. Moreover, this merely occurs in the overall execution of the operating program in the Gelfer et al system. There is no "security code" that is handed over from any component to another component in the Gelfer system. Moreover, even if the reading of the flag in the memory area E of the non-volatile memory 5 is somehow considered to be handing over a security code, in the Gelfer et al reference it is the control unit 6 that is observing the memory area E in the non-volatile memory 5, whereas claim 1 states that it is the control unit that

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responds to the interrogation *from* the security module. If observing the status of the security flag in the Gelfer et al reference is considered to be some form of "interrogation," then it is the control unit 6 in the Gelfer et al reference that is *making* the interrogation, rather than providing a security code *in response to* an interrogation, as set forth in claims 1 and 9.

Applicants additionally submit that the flag in the memory area E in Gelfer et al is not comparable to a "security code" as set forth in claim 1. In claim 1, the security module automatically deactivates itself if the control unit hands over an *incorrect security code*, or no security code, upon each interrogation. The concept of the flag being "correct" or "incorrect' is meaningless. The security flag has whatever status has been set for it, and in this sense every status is "correct," but each status signifies a different condition. There is no "incorrect" flag in the Gelfer et al system, because the concept of an "incorrect" flag is meaningless.

Since the above-described routine is executed in the Gelfer et al system in the control unit 6 of the postage meter, none of those steps are taught in Gelfer et al as being executed, or possible for execution, in a security module, since no such security module is disclosed at all in the Gelfer et al reference. As noted above, the security routine itself in the Leon et al reference is not described in detail, only the result of its execution. A person of ordinary skill in the design of secure postage meters, therefore, has no information or guidance whatsoever from either the Leon et al reference or the Gelfer et al reference as to how the different concepts respectively disclosed in those references can be combined, or even if those different concepts can be combined at all. At a minimum, this would require, without any guidance in either reference, selecting just the "right" steps from the general

operating program disclosed in Gelfer et al, and transferring those steps from being executed in the postage meter machine and instead causing those steps to be executed in a security module.

Applicants submit that without any such teaching, motivation or inducement, and in view of the lack of any guidance whatsoever in either of the two references, a person of ordinary skill in this field, without having had the benefit of first reading the present disclosure, would have no idea as to which steps are the "right" steps to transfer, and which steps should be retained by the postage meter control unit. Equally as importantly, as noted above, no component in the Gelfer et al reference is deactivated for any purpose; the Gelfer et al reference simply operates by making a branch, or not making a branch to the printing routine depending on the circumstances. Therefore, even if the modification of Leon et al in accordance with the teachings of Gelfer et al proposed by the Examiner were made, this still would not result in deactivation of the security module according to the conditions prescribed in Gelfer et al. Even if the above-described behavior of the security module in the Leon et al reference is characterized, according to the Examiner's position, as a "deactivation," this has no relationship whatsoever to the aforementioned steps in the Gelfer et al overall operating program.

Moreover, as noted above, when the security routine in Leon et al is executed, this is intended to preclude secure communications between the security module and the postage meter machine. Since the aforementioned program in Gelfer et al is executed exclusively within the postage meter machine, the basic concepts disclosed in Leon et al and Gelfer et al, respectively, are incompatible. In order for the routine disclosed in the Gelfer et al reference to have any effect

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whatsoever on the security module in Leon et al, it must be necessary for the security module and the postage meter machine to communicate with each other, but this is precisely what is precluded when the security routine is executed in the Leon et al reference.

The claims depending from independent claim 1 add further structure to the novel and non-obvious combination of claim 1, and therefore are patentable over the teachings of Leon et al and Gelfer et al for the same reasons discussed above in connection with claim .1.

All claims of the application are therefore submitted to be in condition for allowance, and early reconsideration of the application is respectfully requested.

Submitted by,

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